GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1210
ANSWERED ON:07.03.2002
SECOND REPORT OF MONTEK SINGH AHLUWALIA COMMITTEE
PUTTASWAMY GOWDA

Will the Minister of POWER be pleased to state:

(a) whether the Union Government have expressed serious reservations against the second report on State Electricity Boards restructuring, prepared by the Montek Singh Ahluwalia Committee;

(b) if so, the main reasons for rejecting the recommendations;

(c) the main purpose of this second report;

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(d) the number of recommendations made by the Committee;

(e) whether all the recommendations have been rejected by the Government; and

(f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRIMATI JAYAWANTI MEHTA)

(a) & (b) : The Second Report of the Expert Group under Chairmanship of Shri Montek Singh Ahluwalia, the then Member (Energy), Planning Commission, was submitted in July 2001. The Group made recommendations on structural and financial improvements of the State Electricity Boards (SEBs). However, the Report did not give state-specific recommendations. It also recommended certain legislative changes that were not related to its terms of reference. Therefore, the recommendations were referred to Shri N.K. Singh, the present Member (Energy), Planning Commission.

(c) : The purpose of the Report, as given in its terms of reference, was to `suggest a strategy for capital restructuring of the State Electricity Boards including the provision of Structural Adjustment Loans so as to enable them to tide over the present financial crisis, make them operationally viable and improve their credit rating.`

(d) : The Committee made eleven recommendations on structural improvements and three on financial improvement of the SEBs.

(e) & (f) : No, Sir. In pursuance of these recommendations and the Report submitted by Shri N.K. Singh on financing mechanism to sustain power sector reforms in the States, the Accelerated Power Development Programme is being redesigned as `Accelerated Power Development and Reforms Programme`, as announced in the Finance Minister`s budget speech this year.